

Maryland Legislative Action Committee The Legislative Voice of Maryland Community Association Homeowners

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February 8, 2022

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Delegate C.T. Wilson, Chair Delegate Brian M. Crosby, Vice Chair Economic Matters Committee House Office Building Annapolis, Maryland 21401

Re: HB 722

Corporations and Associations - Annual Reports - Filing Fees

Position: SUPPORT

Hearing Date: February 16, 2022

Dear Chairman Wilson, Vice Chairman Crosby and Committee Members:

This letter is submitted on behalf of the Maryland Legislative Action Committee ("MD-LAC") of the Community Associations Institute ("CAI"). CAI represents individuals and professionals who reside in or work with common property ownership interest associations (condominiums, homeowners' associations, and cooperatives) throughout the State of Maryland.

MD-LAC supports HB 722. The bill eliminates the filing fees paid by certain business entities to the State Department of Assessments and Taxation ("SDAT") for the filing of required annual reports provided the reports are filed electronically using proper processes provided by SDAT, or for reports where no personal property for which property tax is owed. If passed, the bill will apply to reports due on or after April 15, 2023.

HB 722 eliminates a filing fee for certain Maryland corporations and LLCs where the filing of same causes no additional expense to the State and provides some financial relief to Maryland businesses and entities with no personal property for which any tax is owed. HB 722 provides a fair and equitable resolution to what amounts to an additional tax on their existence as Maryland entities.

We request that the Committee give HB 722 a favorable report. We are available to answer any questions the Committee Members may have. Please feel free to contact Lisa Harris Jones, lobbyist for the MD-LAC, at 410-366-1500, or by e-mail at lisa.jones@mdlobbyist.com, Steven Randol, Chair of the MD-LAC, 410-279-8054, or by e-mail at srandol@pineorchard.com, or Kathleen M. Elmore, Esquire member, MD-LAC for Community Associations Institute at 410-544-6644, or by E-mail at kelmore@elgrp.com.

Sincerely,

Kathleen M. Elmore Kathleen Elmore, Esquire Member, CAI MD-LAC

Steven Randol Steven Randol Chair, CAI MD-LAC